



Voluntary Report - public distribution

Date: 11/16/2001

GAIN Report #CA1161

Canada

HRI Food Service Sector

Report

2001

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Report Highlights:

The Canadian Restaurant and Foodservice Association 2002 foodservice sales forecast revised downward following September 11 events.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa[CA1], CA

According to a recent report by Foodservice and Hospitality Magazine, Canada's national hospitality business publication, the Canadian Restaurant and Foodservice Association's (CRFA) 2002 sales forecast indicates that the Canadian foodservice industry sales are expected to remain fairly strong, despite the events of September 11. The CRFA continues to predict that 2001 foodservice sales will realize an annual growth rate of 3.4% despite September 11, but has revised downward its original 2002 forecast to 3.4% (C\$4 billion) from 4.5%. The 2002 figures are the lowest since 1991 when the Goods and Services Tax (GST) was implemented. The GST imposed a 7% surcharge on most goods and services including restaurant meals and combined with an economic downturn that year to cause a severe drop in sales.

The CRFA's 2001 and 2002 revised forecasts by sector follow.

CANADIAN FOODSERVICE SALES FORECAST

2001	2001 Revised Forecast Range			
Segment	Original Forecast	Midpoint	Worst Case	Best Case
Full Service Restaurants	5.8 %	5.2%	4.6%	5.8%
Limited Service Restaurants	4.1%	3.6%	3.0%	4.2%
Social and Contract Caterers	6.5%	1.8%	1.0%	2.6%
Bars and Nightclubs	1.8%	0.6%	0.0%	1.3%
Total Sales	4.9%	4.0%	3.4%	4.6%

2002	2002 Revised Forecast Range			
Segment	Original Forecast	Midpoint	Worst Case	Best Case
Full Service Restaurants	3.9%	0.5%	-0.5%	1.5%
Limited Service Restaurants	3.6%	0.0%	-1.1%	1.1%
Social and Contract Caterers	3.2%	-0.9%	-1.9%	0.1%
Bars and Nightclubs	4.7%	1.8%	1.1%	2.5%
Total Sales	3.8%	.03%	-0.7%	1.3%

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CA1130	Food & Beverage Promotional Opportunities	9/20/01